NDWEDWE MUNICIPALITY

APPROVED CREDIT CONTROL AND DEBT MANAGEMENT BY-LAWS 2026/2027

CREDIT CONTROL AND DEBT COLLECTION BY-LAWS

PREAMBLE

Whereas one of the constitutional objectives of local government is to provide democratic and accountable government for local communities;

AND Whereas section 96(a) of the Local Government Municipal Systems Act, 2000 requires that a municipality must collect all money that is due and payable to it, subject to this Act and any other applicable legislation and for this purpose, must adopt, maintain and implement a credit control and debt collection policy which is consistent with its rates and tariffs policies and complies with the provisions of this Act.

AND Whereas there is a need to have financial by-laws to guide the actions of political structures, political office bearers and municipal officials and "Nice provides at local government level to secure transparency, accountability and sound management of the revenue, expenditure, assets and liabilities of the municipality. .

Be in therefore enacted by the municipal council of the Ndwedwe local municipality of as follows:

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1: DEFINITIONS

1. Definitions

For the purpose of these by-laws any word or expressions to which a meaning has been assigned in the Act shall bear the same meaning in these by-laws and unless the context indicates otherwise —

'.**'account"**	means any account rendered for municipal services provided;
"Act"	means the Local Government: Municipal Systems Act, 2000 (AM No. 32 of 2000), as amended from time to time;
"**applicable charges**"	means the rate, charge, tariff, flat rate, or subsidy determined by the municipal council;
"**average consumption**"	means the average consumption of a customer of a municipal service during a specific period, which consumption is calculated by dividing the total measured consumption of that municipal service by that customer over the preceding three months by three; .
"**shared consumption**"	means the consumption of a customer of a municipal service during a specific period, which consumption is calculated by dividing the total metered consumption of that municipal service within the supply zone within which a customer's premises is situated for the same period by the number of customers within that supply zone, during the same period;

"**actual consumption**" means the measured consumption of any customer;

"**agreement**" means the contractual relationship between the municipality or its authorised agent and •a customer, whether written or deemed;

"**area of supply**" means any area within or partly within the area. of jurisdiction of the municipality to which a municipal service or municipal services are provided;

"**arrears**" means any amount due, owing and payable by a customer in respect of municipal services not paid on the due date;

"**authorised agent**" means —

(a) any person authorised by the municipal council to perform any act, function or duty in terms of, or exercise any power under these by-laws; and l or

(b) any person to whom the municipal council has delegated the performance of certain rights, duties and obligations in respect of providing revenue services; and / or

(c) any person appointed by the municipal council in terms of a written contract as a service provider to provide revenue services to customers on its behalf, to the extent authorised in such contract;

"**commercial customer'** means any customer other than household and indigent customers, including without limitation, business, government and institutional customers;

"**connection**" means the point at which a customer gains access to municipal services;

"**customer"** means a person with whom the municipality or its authorised agent has concluded an agreement for the provision of municipal services

"**defaulter**" means a customer who owes arrears;

"**due date**" means the date on which the amount payable in respect of an account becomes due, owing and payable by the customer

“**emergency situation**"	means any situation that if allowed to continue poses a risk or potential risk to the financial viability or sustainability of the municipality or a specific municipal service;
"**estimated consumption**"	means the deemed consumption by a customer whose consumption is not measured during a specific period, which estimated consumption is rationally determined taking into account at least the consumption of municipal services for a specific level of service during a specific period in the area of supply of the municipality or its authorised agent;
"**household customer**"	means a customer that occupies a dwelling, structure or property primarily for residential purposes;

"**household"** means a traditional family unit consisting of a maximum of eight persons (being a combination of four persons over the age of eighteen and four persons eighteen years or younger);

"**Illegal connection"**	means a connection to any system through which municipal services are provided that is not authorised or approved by the municipality or its authorised agent;
"**indigent customer**"	means a household customer qualifying and registered with the municipality as an indigent in accordance with these bylaws
"**municipality**"	Means (a) the municipality or its successors-in-title; or (b) the municipal manager .0f the council in respect of the performance of any ion or exercise of any right, duty, obligation or function in terms of these by-laws;
"**municipal council**"	means the municipal council as referred to in section 157(1) of the Constitution, 1996 (Act No. 108 of 1996); .
"**municipal manager**"	means the person appointed by the municipal council as the municipal manager of the municipality in terms of section 82, of the Local Government municipal Structures Act, 1998(Act No. 117 of 1998) and includes any person — (a) acting in such position; and (b) to whom the municipal manager has delegated a power, function or duty in respect of such a delegated power, function or duty;
"**municipal services"**	means for purposes of these by-laws, services provided by the municipality or its authorised agent, including refuse removal, water supply, sanitation, electricity services and rates or any one of the above;
"**occupier**"	includes any person in actual occupation of the land or premises without regard to the title under which he occupies, and, in the case of premises sub-divided and let to lodgers or various tenants, shall include the person receiving the rent payable by the lodgers or tenants whether for his own account or as an agent for any person entitled thereto or interested therein;
"**owner**"	means — (a) the person in who from time to time is vested the legal title to premises;

(b) in a case where the person in whom the legal title to premises is vested is insolvent or dead, or is under any form of legal disability whatsoever, the person in whom the administration and control of such premises is vested as curator, trustee, executor, administrator, judicial manager, liquidator or other legal representative;

(c) in any case where the municipality or its authorised agent is unable to determine the identity of such person, a person who is entitled to the benefit of the use of such premises or a building or buildings thereon; .

(d) in the case of premises for which a lease agreement of 30 years or longer has been entered into, the lessee thereof; in relation to —

(i) a piece of land delineated on a sectional plan registered in terms of the Sectional Titles Act, 1986 (Act No. 95 of 1986), the developer or. the body corporate in respect of the common property, or

.(ii) a section • as defined in the Sectional Titles Act, 1986 (Act No. 95 of 1986), the person in whose name such section is registered under a sectional title deed and includes appointed agent of such a person; or

(f) a person occupying land under a register held by a tribal authority;

"person" means any natural person, local government body or like authority, a company or close corporation incorporated under any law, a body of persons whether incorporated or not, a statutory body, public utility body, voluntary association or trust;

"**public notice**" means publication in an appropriate medium that may include one or more of the following -

(a) publication of a notice, in the official languages determined by the council, —

(i) in the local newspaper or newspapers in the area of the municipality; or

(ii) in the newspaper or newspapers circulating in the area of the municipality determined by the municipal council as a newspaper of record; or

(iii) by means of radio broadcasts covering the area of the municipality; or

(b) displaying a notice at appropriate offices and pay-points of the municipality or its authorised agent; or

(c) communication with customers through public meetings and ward committee meetings;

"**subsidised service**" means a municipal service which is provided to a customer at an applicable rate which is less than the cost of actually providing the service including services provided to customers at no cost;

"**supply zone**" means an area, determined by the municipality or its authorised agent, within which all customers are provided with services from the same bulk supply connection; .

"**unauthorised services**" means receipt, use or consumption of any municipal service, which is not in terms of an agreement, or authorised or approved by the municipality or its authorised agent;

CHAPTER 2: DUTIES AND FUNCTIONS OF COUNCIL, EXECUTIVE COMMITTEE, MUNICIPAL MANAGER, COMMUNITIES, RATEPAYERS AND RESIDENTS AND WARD COUNCILLORS AND POLITICAL PARTIES

2. Duties and functions of municipal council

The duties and functions of the municipal council are:

(1) To approve a budget consistent with the needs of communities, ratepayers and residents.

(2) To impose rates and taxes and to determine service charges; fees and penalties to finance the budget. .

(3) To provide sufficient funds to give access to basic services for the poor.

(4) To provide for bad debt, in line with the payment record of the community, ratepayers and residents, as reflected in the financial statements of the municipality.

(5) To set an improvement target for debt collection, in line with acceptable accounting ratios and the abilities of the municipal manager. .

(6) To approve a reporting framework for credit control and debt collection.

(7) To consider and approve by-laws to give effect to the council's policy.

(8) To monitor the performance of the Executive Committee and municipal manager regarding credit control and debt collection.

(9) To revise the budget should council's targets for credit control and debt collection not be met.

(10) To take disciplinary action against officials who do not execute council policies and by-laws.

(1 1) To approve a list of attorneys that will act for council in all legal matters relating to debt collection.

(12) To delegate the required authorities to monitor and execute the credit control and debt collection policy to the Executive Committee and municipal manager respectively. .

(13) To approve an appropriate staff structure for credit control and debt collection.

(14) To appoint debt collection agents to assist the municipal manager in the execution of his/her duties, if required.

3. Duties and functions of Executive Committee

The duties and functions of the Executive Committee are:

(1) To ensure that council's budget, cash fl0'W and targets for the debt collection are met and executed in terms of the policy and relevant by-laws.

(2) To monitor the performance of the municipal manager in implementing the policy and by-laws.

(3) To review and evaluate the policy and by-laws in order to improve the efficiency of councils

(4) ls credit control and debt collection procedures, mechanisms and processes.

(5) To report to council.

4. Duties and functions of the municipal manager

Duties and functions of the municipal manager are:

(1) To implement good customer care management.

(2) To implement council's credit control and debt collection policy.

(3) To install and maintain an appropriate accounting system.

(4) To bill consumers. .

(5) To demand payment on due dates.

(6) To raise penalties for defaults.

(7) To appropriate payments received.

(8) To collect outstanding debt.

(9) To implement "Best Practices".

(10) To provide different payment methods.

(1 1) To determine credit control measures..

(12) To determine work procedures for public relations, arrangements, disconnections of services, summonses, attachments of assets, sales in execution, writing of debts, sundry debtors and legal processes.

(13) To appoint firm/s of attorneys to complete the legal process (i.e. attachment and sale in execution of assets, emolument attachment orders etc.). .

(14) To set performance targets for staff.

(15) To appoint staff to execute council's policy and by-laws in accordance with council's staff policy.
(16) To delegate certain functions to heads of departments.
(17) To determine control procedures.
(18) To report to the Executive Committee.

5. **Duties and functions of communities, ratepayers and residents**

Duties and functions of communities, ratepayers and residents are:

(1) To fulfil certain responsibilities, as brought about by the privilege to use and enjoy public facilities and municipal services.
(2) To pay service fees, rates on property and other taxes, levies and duties imposed by the municipality.
(3) To observe the mechanisms and processes of the municipality in exercising their rights.
(4) To allow municipal officials reasonable access to their property to execute municipal functions.
(5) To comply with the by-laws and other legislation of the municipality.
(6) To refrain from tampering with municipal services and property. .

6. **Duties and functions of ward councillors and political parties**

The duties and functions of ward councillors and political parties are:

(1) To hold regular ward meetings.
(2) To adhere to and convey council policies to residents and ratepayers.
(3) To adhere to council's code of conduct for councillors.

CHAPTER 3: PROVISION OF MUNICIPAL SERVICES TO CUSTOMERS OTHER THAN INDIGENT CUSTOMERS

Part 1: Application for Municipal Services

7. **Application for services**

(1) A customer wanting to qualify as an indigent customer must apply for services as set out in Chapter 5 below.
(2) No person shall be entitled to access to municipal services unless application has been made to, and approved by, the municipality or its authorised agent on the prescribed form attached as Annexure A to these by-laws.
(3) If, at the commencement of these by-laws or at any other time, municipal services are provided and received and no written agreement exist in respect of such services, it shall be deemed that -
    (a) an agreement in terms of sub-section (7) exists; and
    (b) the level of services provided to that customer are the level of services elected; .until such time as the customer enters into an agreement in terms of subsection (2).
(4) The municipality or its authorised agent must on application for the provision of municipal services inform the applicant of the then available levels of

services and the then applicable tariffs and / or charges associated with each level of service.

(5) The municipality or its authorised agent is only obliged to provide a specific level of service requested if the service is currently being provided and if the municipality or authorised agent has the resources and capacity to provide such level of service.

(6) A customer may at any time apply to alter the level of services elected in tens of the agreement entered into, provided that such requested level of service is available and that any costs and expenditure associated with altering the level of services is paid by the customer. .

(7) An application for services Submitted by a customer and approved by the municipality or its authorised agent shall constitute an agreement between the municipality or its authorised agent and the customer, and such agreement shall take effect on the date referred to or stipulated in such agreement.

(8) In completing an application form for municipal services, the municipality or its authorised agent will ensure that the document and the process of interaction with the owner, customer or any other person making such an application are understood by that owner, customer or other person and advise him or her of the option to register as an indigent customer.

(9) In the case of illiterate or similarly disadvantaged persons, the municipality or its authorised agent must take reasonable steps to ensure that the person is aware of and understands the contents of the application form and shall assist him or her in completing such form.

(10) municipal services rendered to a customer are subject to the provisions of these by-laws, any applicable by-laws and the conditions contained in the agreement.

(11) If the municipality or its authorised agent —

(a) refuses an application for the provision of municipal services or a specific service or level of service;

(b) is unable to render such municipal services or a specific service or level of service on the date requested for such provision to commence; or

(c) is unable to render the municipal services or a specific service or level of service;

the municipality or its authorised agent must, within a reasonable time, informs the customer of such refusal and / or inability, the reasons therefore and, if applicable, when the municipality or its authorised agent will be able to provide such municipal services or a specific service or level of service.

8. **Special agreements for municipal services**

The municipality or its authorised agent may enter into a special agreement for the provision of municipal services with an applicant —

(a) within the area of supply, if the services applied for necessitates the imposition of conditions not contained in the prescribed form or these bylaws;

(b) receiving subsidised services; and

(c) if the premises to receive such services are situated outside the area of supply, provided that the municipality having jurisdiction over the premises

has no objection to such special agreement. The obligation is on the customer to advise the municipality having jurisdiction of such special agreement.

9. **Change In purpose for which municipal services are used**

(1) Where the purpose for or extent to which any municipal service used is changed the onus and obligation is on the customer to advise the municipality or its authorised agent of such change and to enter into a new agreement with the municipality or its authorised agent.

Part 2: Applicable Charges

10. **Applicable charges for municipal services**

(1) All applicable charges payable in respect of municipal services, including but not limited to the payment of connection charges, fixed charges or any additional charges or interest will be set by the municipal council in accordance with —

(a) its rates and tariff policy;

(b) its credit control and debt collection policy;

(c) any by-taws in respect thereof; and

(d) any regulations in tens of national or provincial legislation.

(2) Applicable charges may differ between different categories of customers, . users of services, types and levels of services, quantities of services, infrastructure requirements and geographic areas. .

(3) Services will be terminated due to non-payment on the terms and conditions as stipulated in the credit control and debt collection policy.

(4) Deferment for payment of service accounts can be granted to consumers in terms of council's delegated powers and conditions approved in its credit control and debt collection policy.

(5) The municipality may consolidate any separate accounts of persons who are liable for payment to the municipality and may credit all payments received from such a person to any service and order of preference as determined by council from time to time in its credit control and debt collection policy.

11. **Availability charges for municipal services**

The municipal council may, in addition to the tariffs or charges prescribed for municipal services actually provided, levy a monthly fixed charge, annual fixed charge or once-off fixed charge where municipal services are available, whether or not such services are consumed or not.

12. **Subsidised services**

(1) The municipal council may, from time to time, and in accordance with national policy, but subject to principles of sustainability and affordability, by public notice, implement subsidies for a basic level of municipal service.

(2) The municipal council may, in implementing subsidies, differentiate between types of household customers, types and levels of services, quantities of services, geographical areas and socio-economic areas.

(3) Public notice in terms of sub-section (1) must contain at least the following details applicable to a specific subsidy -

(a) the household customers that will benefit from the subsidy;

(b) the type, level and quantity of municipal service that will be subsidised;

(c) the area within which the subsidy will apply;

(d) the rate (indicating the level of subsidy);

(e) the method of implementing the subsidy; and

(f) any special terms and conditions that will apply to the subsidy.

(4) If a household customer's consumption or use of a municipal service is —

(a) less than the subsidised service, the unused portion may not be accrued by the customer and will not entitle the customer to cash or a rebate in respect of the unused portion; and

(c) in excess of the subsidised service, the customer will be obliged to pay for such excess consumption at the applicable rate.

(5) A subsidy implemented in tens of sub-section (1) may at any time, after reasonable notice, be withdrawn or altered in the sole discretion of the municipal council.

(6) Commercial customers may not qualify for subsidised services.

(7) Subsidised services shall be funded from the portion of revenue raised nationally that is allocated to the municipality and if such funding is insufficient the services may be funded from revenue raised through rates, fees and charges in respect of municipal services.

13. **Authority to recover additional costs and fees** .

The municipality or its authorised agent has the authority to, notwithstanding the provisions of any other sections contained in these by-laws, recover any additional costs incurred in respect of implementing these by-laws against the account of the customer, including but not limited to —

(a) all legal costs, including attorney and own client costs incurred in the recovery of amounts in arrears shall be against the arrears account of the customer; and I or

(b) the average costs incurred relating to any action taken in demanding payment from the customer or reminding the customer, by means of telephone, fax, e-mail, letter or otherwise..

Part 3: Payment

14. **Payment of deposit**

(1) The municipal council may, from time to time, determine different deposits for different categories of customers, users of services, debtors, services and service standards, provided that the deposit will not be more than two and a half times the monetary value of the most recent measured monthly consumption of the premises for which an application is made.

(2) A customer must on application for the provision of municipal services and before the municipality or its authorised agent will provide such services, pay a deposit, if the municipal council has determined a deposit.

(3) The municipality or its authorised agent may annually review a deposit paid in terms of sub-section (2) and in accordance with such review

(a) require that an additional amount be deposited by the customer where the deposit is less that the most recent deposit determined by the municipal council.

(4) If a customer is in arrears, the municipality or its authorised agent may require that the customer -

(a) pay a deposit if that customer was not previously required to pay a deposit, if the municipal council has determined a deposit; and

(b) pay an additional deposit where the deposit paid by that customer is less that the most recent deposit determined by the municipal council.

(5) Subject to sub-section (7), the deposit shall not be regarded as being in payment or part payment of an account.

(6) No interest shall be payable by the municipality or its authorised agent on any deposit held,

(7) The deposit, if any, is refundable to the customer on termination of the agreement. A deposit shall be forfeited to the municipality if it has not been claimed by the customer within 12 (twelve) months of termination of the agreement. .

15. **Methods for determining amounts due and payable**

(1) The municipality or its authorised agent must inform customers of the method for determining amounts due and payable in respect of municipal services provided that will apply in respect of their consumption or supply zones.

16. **Payment for municipal services provided**

(1) A customer shall be responsible for payment of all municipal services consumed by him/her or it from the commencement date of the agreement until his/her or its account has been settled in full and the municipality or its authorised agent must recover all applicable charges due to the municipality.

(2) If a customer uses municipal services for a use other than that for which it is provided by the municipality or its authorised agent in terms of an agreement and as a consequence is charged at a charge lower than the applicable charge the municipality or its authorised agent may make an adjustment of the amount charged and recover the balance from the customer.

(3) If amendments to the applicable charge become operative on a date between measurements for the purpose of rendering an account in respect of the applicable charges -

(a) it shall be deemed that the same quantity of municipal services was provided in each period of twenty-four hours during the interval between the measurements; and

(b) any fixed charge shall be calculated on a pro rata basis in accordance with the charge that applied immediately before such amendment and such amended applicable charge.

17. **Full and final settlement of an account**

(1) Where an account is not settled in full, any lesser amount tendered to and accepted shall not be deemed to be in final settlement of such an account.

(2) Sub-section (1) shall prevail notwithstanding the fact that such lesser payment was tendered and/or accepted in full and final settlement, unless the municipal manager or the manager of the municipality's authorised agent made such acceptance in writing.

18. **Responsibility for amounts due and payable**

(1) Notwithstanding the provisions of any other sections of these by-laws, the owner of premises shall be liable for the payment of any amounts due and payable to the municipality or its authorised representative in respect of the preceding two years, where the owner is not the customer and the municipality or its authorised agent after taking reasonable measures to recover any amounts due and payable by the customer from the tatter, could not recover such amounts.

19. **Dishonoured payments**

(1) Where any payment made to the municipality or its authorised agent by negotiable instrument is later dishonoured by the bank, the municipality or its authorised agent —

(a) may recover the average bank charges incurred relating to dishonoured negotiable instruments against the account of the customer; and

(b) shall regard such an event as default on payment.

20. **Incentive schemes**

(1) The municipal council may institute incentive schemes to encourage prompt payment and to reward customers that pay accounts on a regular and timeous basis.

21. **Pay-points and approved agents**

(1) A customer must pay his/her or its account at pay-points, specified by the municipality or its authorised agent from time to time, or at approved agents of the municipality or its authorised agent.

(2) The municipality or its authorised agent must inform a customer of the location of specified pay-points and approved agents for payment of accounts.

Part 4: Accounts

22. **Accounts**

(1) Accounts will be rendered monthly to customers at the address last recorded with the municipality or its authorised agent. The customer may receive more than one account for different municipal services if they are accounted for separately.

(2) Failure to receive or accept an account does not relieve a customer of the obligation to pay any amount due and payable.

(3) The municipality or its authorised agent must, if administratively possible, issue a duplicate account to a customer on request.

(4) Accounts must be paid not later than the last date for payment specified in such account.

(5) Accounts will — .

(a) reflect at least —

(i) the services rendered;

(ii) the consumption of metered services or average, shared or estimated consumption; .

(iii) the period addressed in the account;

(iv) the applicable charges;

(v) any subsidies;

(VI) the amount due (excluding value added tax payable)

(vii) value added tax;

(viii) the adjustment, if any, to metered consumption which has been previously estimated;

(ix) the arrears, if any;

(x) the interest payable on arrears, if any,

(xi) the final date for payment;

(xii) the methods, places and approved agents where payment may be made; and

(b) state that —

(i) the customer may conclude an agreement with the municipality or its authorised agent for payment of the arrear amount in instalments, at the municipality or its authorised agent's offices before the final date for payment, if a customer is unable to pay the full amount due and payable;

(ii) if no such agreement is entered into the municipality or its authorised agent will limit the services after sending a final demand notice to the customer;

(iii) legal action may be instituted against any customer for the recovery of any amount 45 (forty-five) days in arrears; .the account may be handed over to a debt collector for collection; and

(v) proof of registration, as an indigent customer, in terms of the municipality or its authorised agent's indigent policy must be handed in at the offices of the municipality or its authorised agent before the final date for payment.

23. **Consolidated debt**

(1) If one account is rendered for more than one municipal service provided, the amount due and payable by a customer constitutes a consolidated debt, and any payment made by a customer of an amount less than the total amount due, will be allocated at the discretion of the municipality between service debts.

(2) If an account is rendered for only one municipal service provided any payment made by a customer of an amount less that the total amount due, will be allocated at the discretion of the municipality.

(3) A customer may not elect how an account is to be settled if it is not settled in full or if there are arrears.

Part 5: Queries, Complaints and Appeals

24. **Queries or complaints in respect of account**

(1) A customer may lodge a query or complaint in respect of an accuracy of an amount due and payable in respect of a specific municipal service as reflected on the account rendered.

(2) A query or complaint must be lodged with the municipality or authorised agent before the due date for payment of the account.

(3) A query or complaint must be accompanied by the payment of the average of the last three months accounts where history of the account is available or an estimated amount provided by the municipality before payment due date until the matter is resolved.

(4) The municipality or its authorised agent will register the query or complaint and provide the customer with a reference number.

(5) The municipality or its authorised agent —

(a) shall investigate or cause the query or complaint to be investigated; and

(b) must inform the customer, in writing, of its finding within one-month after the query or complaint was registered. .

(6) Failure to make such agreed interim payment or payments will make the customer liable for disconnection.

25. **Appeals against finding of municipality or its authorised agent in respect of queries or complaints**

(1) A customer may appeal against a finding of the municipality or its authorised agent in terms of section 24 in writing.

(2) An appeal and request in terms of sub-section (1) must be made in writing and lodged with the municipality within 21 (twenty-one) days after the customer became aware. Of the finding referred to in section 24 and must — (a) set out the reasons for the appeal; and

(b) be accompanied by any security determined for the testing of a measuring device, If applicable.

Part e: Arrears

26. **Interest**

(1) Interest will be levied on arrears at the prevailing prime interest rate or at a rate prescribed by the municipal council from time to time.

(2) The costs associated with the limitation or disconnection of municipal services shall be for the cost of the customer and shall be included in the account following the re-connection.

27. **Accounts 60. (sixty) days in arrears**

(1) Where an account rendered to a customer remains outstanding for more than 60 (sixty) days the municipality or its authorised agent may — (a) institute legal action against a customer for the recovery of the arrears; and

(b) hand the customer' account over to a debt collector or an attorney for collection.

(2) A customer will be liable for any administration fees, costs incurred in taking action for the recovery of arrears and any penalties, including the payment of a higher deposit, as may be determined by the municipal council from time to time.

Part 7.

Agreement for the Payment of Arrears in Instalments

28. **Agreements**

(1) The following agreements for the payment of arrears in instalments may be entered into —

(a) an acknowledgement of debt;

(b) a consent to judgment; or

(c) an emolument attachment order.

(2) The customer shall acknowledge that interest will be charged at the prescribed rate..

(3) The municipality or its authorised agent must require a customer to pay at least its current account on entering into an agreement for the payment of arrears in instalments.

(4) The municipality reserves the tight to raise the security deposit requirement of debtors who seek arrangements.

29. **Copy of agreement to customer**

(1) A copy of the agreement shall be made available to the customer.

30. **Failure to honour agreements**

(1) If a customer fails to comply with an agreement for the payment of arrears in instalments, the total of all outstanding amounts, including the arrears, any interest thereon, administration fees, costs incurred in taking relevant action, and penalties, including payment of a higher deposit, will be immediately due and payable; without further notice or correspondence and the municipality or its authorised agent may —

(a) institute legal action for the recovery of the arrears; and

(b) hand the customer's account over to a debt collector or an attorney for collection.

CHAPTER 4: ASSESSMENT RATES

31. **Amount due for assessment rates**

(1) The provisions of Chapter 3 apply in respect of the recovery of assessment rates.

(2) All assessment rates due by owners are payable by a fixed date as determined by the municipality in its credit control and debt collection policy.

(3) Joint owners of property shall be jointly and severally liable for payment of assessment rates.

(4) Assessment rates will be levied in equal monthly instalments. When levied in equal monthly instalments the amount payable will be included in the municipal account.

(5) A property owner remains liable for the payment of assessment rates included in municipal accounts, notwithstanding the fact that — (a) that the property is not occupied by the owner thereof; and or

(b) the municipal account is registered in the name of a person other than the owner of the property.

CHAPTER 5: PROVISION OF MUNICIPAL SERVICES TO INDIGENT CUSTOMERS

32. Qualification for registration as Indigent customer

a. Ali households where the combined gross income of all the members of the household over the age of 18 years old is less than R3 500-00 per month, qualify for registration as indigent customers.

33. Application for registration

a. A household wishing to qualify as an indigent customer must complete the application form entitled "Application for Registration as Indigent Customer attached as Annexure B to these by-laws.
b. Any application in tens of sub-section (1) must be — (a) accompanied by (i) documentary proof of income, such as a letter from the customers employer, a salary advice, a pension card, unemployment fund card; or
    i. an affidavit declaring unemployment or income; and
    ii. the customer's latest municipal account in his/her possession; and
    iii. a certified copy of the customer's identity document; and
    iv. the names and Identity numbers of all occupants over the age of 18 years who are resident at the property.
c. A customer applying for registration as an indigent customer shall be required to declare that all information provided in the application form and other documentation and information provided in connection with the. application is true and correct.
d. The municipality or its authorised agent shall counter-sign the application form and certify that the consequences and conditions of such an application for the customer were explained to the customer and that the customer indicated that the content of the declaration was understood.

34. Approval of application

(1) The municipality or its authorised agent may send authorised representatives to premises or households applying for registration as indigent customers to conduct an on-site audit of information provided prior to approval of an application.

(2) An application shall be approved for a period of 12 (twelve) months only. Subsidies will be forfeited if the applicant fails to submit proof of income or to re-apply for the subsidy.

35. Application every 12(twelve) months

(1) An indigent customer must re-apply for registration every 12 (twelve) months as an indigent. customer, failing which the assistance will cease automatically.

(2) The provisions of sections 33 and 34 shall apply to any application in terms of sub-section (1).

(3) The municipality or its authorised agent gives no guarantee of renewal.

36. Subsidised services for Indigent customers

(1) The municipal council may annually, as part of its budgetary process, determine the municipal services and levels thereof that will be subsidised in respect of indigent customers in accordance with national policy, but subject to principles of sustainability and affordability.

(2) The municipal council will in the. determination of municipal services that will be subsidised for indigent customers give preference to subsidising at least the following services -

(a) All rates levied on properties of which the municipal value is less than R60 000.

(3) The municipality must on a determination in terms of sub-section (1) give public notice of such determination.

(4) Public notice in terms of sub-section (3) must contain at least the following (a) the level or quantity of municipal service that will be subsidised; (b) the level of subsidy;

(c) the method of calculating the subsidy; and

(d) any special terms and conditions that will apply to the subsidy, not provided for in these by-laws.

(5) Any other municipal services rendered by the municipality or municipal services consumed in excess of the levels or quantities determined in subsection (1) shall be charged for and the indigent customer shall be liable for the payment of such charges levied on the excess consumption.

(6) The provisions of Chapter 3 shall mutatis mutandis apply to the amounts due and payable in terms of sub-section (5).

37. Funding of subsidised services

(1) The subsidised services referred to in section 38 shall be funded from the portion of revenue raised nationally that is allocated to the municipality and if such funding is insufficient the services may be funded from revenue raised through rates, fees and charges in respect of municipal services.

(2) The subsidy amount to be funded from revenue raised nationally that1iS . allocated to the municipality shall be calculated by dividing the amount allocated by the estimated number of customers that may qualify for registration as indigent customers.

38. Existing arrears of Indigent customers on approval of application

(1) Arrears accumulated in respect of the municipal accounts of customers prior to registration as indigent customers will be either. .(a) Witten off,

(b) Applied as a surcharge to prepaid electricity coupons; or

(c) Be attempted to be recovered through legal proceedings and/or extended term arrangements.

39. Audits

The municipality may undertake regular random audits carried out by the municipality or its authorised agent to —

(a) verify the information provided by indigent customers;

(b) record any changes in the circumstances of indigent customers; and

(c) make recommendations on the de-registration of the indigent customer.

40. **De-registration**

(1) Any customer who provides or provided false information in the application form and I or any other documentation and information in connection with the application —

(a) shall automatically, without notice, be de-registered as an indigent customer from the date on which the municipality or its authorised agent became aware that such information is false.

(2) An indigent customer must immediately request de-registration by the municipality or its authorised agent if his/her circumstances has changed to the extent that he/she no longer meet the qualifications set out in section 33.

(3) An indigent customer shall automatically be de-registered if an application in accordance with section 37 is not made or if such application is not approved.

(4) An indigent customer shall automatically be de-registered if an audit or verification concludes that the financial circumstances of the indigent customer has changed to the extent that he/she no longer meet the qualifications set out in 33.

(5) An indigent customer may at any time request de-registration.

CHAPTER 6: BUSINESSES WHO TENDER TO THE MUNICIPALITY

41. Procurement policy and tender conditions

The procurement policy and tender conditions provide the following:

(1) When inviting tenders for the provision of services or delivery. of goods, potential contractors may submit tenders subject to a condition that consideration and evaluation thereof will necessitate that the tenderer obtain from the municipality a certificate stating that all relevant municipal accounts owing by the tenderer or its directors, owners or partners have been paid or that suitable arrangements (which include the right to set off in the event of non-compliance) have been made for payment of any arrears;

(2) A municipal account to mean any municipal service charge, tax or other fees, fines and penalties, due in tens of a contract or approved tariff or rate, which is outstanding after the due date normally appearing on the overdue in terms of the contract or any other due date that has passed;

(3) Tender conditions contain a condition allowing the municipality to deduct moneys owing to the municipality from contract payments in terms of a reasonable arrangement with the debtor.

CHAPTER 7: UNAUTHORISED SERVICES

42. Unauthorised services

(1) No person may gain access to municipal services unless It is in terms of an agreement entered into with the municipality or its authorised agent for the rendering of those services.

(2) The municipality or its authorised agent may, irrespective of any other action it may take against such person in terms of these by-laws by written notice order a person who is using unauthorised services to (a) apply for such services in terms of Chapter 3 Part 1; .

(b) undertake such work as may be necessary to ensure that the customer installation through which access was gained complies with the provisions of these or any other relevant by-laws.

43. Interference with Infrastructure for the provision of municipal services

(3) No person other than the municipality or its authorised agent shall manage, operate or maintain infrastructure through which municipal services are provided.

(4) No person other than the municipality or its authorised agent shall effect a connection to. infrastructure through which municipal services are provided.

44. Obstruction of access to Infrastructure for the provision of municipal services

(5) No person shall prevent or restrict physical access to infrastructure through which municipal services are provided.

(6) If a person contravenes sub-section (1), the municipality or its authorised agent may -

(a) by written notice require such person to restore access at his/her own expense within a specified period; or

(b) if it is of the opinion that the situation is a matter of urgency, without prior notice restore access and recover the cost from such person.

CHAPTER 8: OFFENCES

45. **Offences**

Any person who —

(a) fails to give access required by the municipality or its authorised agent terms of these by-laws;

(b) assists any person in providing false or fraudulent information or assists in wilfully concealing information;

(c) uses, tampers or interferes with municipal equipment, service supply equipment and reticulation network or consumption of services rendered;

(d) fails or refuses to give the municipality or its authorised agent such information as may reasonably be required for the purpose of exercising the powers or functions under these by-laws or gives such the municipality or its authorised agent false or misleading information, knowing it to be false or misleading;

(e) contravenes or fails to comply with a provision of these by-laws;

(f) fails to comply with the terms of a notice served upon him/her in terms of these by-laws; shall be guilty of an offence and liable upon conviction to a period not exceeding six months imprisonment or community service or a fine not exceeding R 6 000-00, or a combination of the aforementioned.

CHAPTER 9: DOCUMENTATION

46. **Signing of notices and documents**

(1) A notice or document issued by the municipality in terms of these by-laws and signed by a staff member of the municipality or its authorised agent shall be deemed to be duly issued and must on its mere production be accepted by a court as evidence of that fact.

47. **Notices and documents**

(1) A notice or document issued by the municipality or its authorised agent in terms of these by-laws shall be deemed to be duly authorised if an authorised agent signs it.

(2) Any notice or other document that is served on an owner, customer or any other person in tens of these by-laws is regarded as having been served (a) if it has been delivered to that person personally;

(b) when it has been let at that person's village, place of residence, or business or employment in the Republic with a person apparently over the age of sixteen years;

(c) when it has been posted by registered or certified mail to that person's last known residential address or business address in the Republic and an acknowledgement of posting thereof from the postal service is obtained;

(d) if that person's address in the Republic is unknown, when it has been served on that person's agent or representative in the Republic in the manner provided in sub-sections (a) — (c); or .

(e) if that person's address and agent or representative in the Republic is unknown, when it has been posted 'in a conspicuous place on the property or premises, if any, to which it relates.

(3) When any notice or other document must be authorised or served on the owner, occupier or holder of any property it is sufficient if that person is described in the notice or other document as the owner, occupier or holder of the property or right in question, and is not necessarily the name of that person.

(4) In the case where compliance with a notice is required within a specified number of working days, such period shall be deemed to commence on the date of delivery or sending of such notice.

48. Authentication of documents

(1) Every order, notice or other document requiring authentication by the municipality shall be sufficiently authenticated, if signed by the municipal manager or by a duly authorised officer of the municipality or the authorised agent of the municipality, such authority being conferred by resolution of the municipality, written agreement or by a by-law.

49. Prima facie evidence

(1) In legal proceedings by or on behalf of the municipality or it authorise agent, a certificate reflecting the amount due and payable to the municipality or its authorised agent, under the hand of the municipal manager, or suitably qualified municipal staff member authorised by the municipal manager or the manager of the municipality's authorised agent, shall upon mere production thereof be accepted by any court of law as prima facie evidence of the indebtedness.

CHAPTER 10: GENERAL PROVISIONS

50. Power of entry and Inspection

a. The municipality or its authorised agent may enter and inspect any premises for any purpose connected with the implementation or enforcement of these by-laws, at all reasonable times, after having given reasonable written notice to the occupier of the premises of the intention to do so.

51. Exemption

a. The municipality may, in writing, exempt an owner, customer, any other person or category of owners, customers, ratepayers, users of services from complying with a provision of these by-law8, subject to any conditions it may impose, if it is of the opinion that the application or operation of that provision would be unreasonable, provided that the municipality or its authorised agent shall not grant exemption from any section of these by-laws that may result in -
   i. the wastage or excessive consumption of municipal services;
   ii. significant negative on public health, safety or the environment;
   iii. the non-payment for services;
   iv. the Act, or any regulations made in terms thereof, is not complied with.

b. The municipality at any time after giving written notice of at least thirty days, withdraws any exemption given in terms of sub-section (1).

52. Availability of by-laws

(1) A copy of these by-laws shall be included in the municipalities municipal Code as required in terms of legislation.
(2) The municipality or its authorised agent shall take reasonable steps to inform customers of the contents of the credit control and debt collection by-laws.
(3) A copy of these by-laws shall be available for inspection at the municipal offices or at the offices of its authorised agent at all reasonable times.
(4) A copy of the by-laws may be obtained against payment of RIO, 00 from the municipality or its authorised agent.

53. Conflict of law

a. When interpreting a provision of these by-laws, any reasonable interpretation which is consistent with the purpose of the Act as set out in Chapter 9 on Credit Control and Debt Collection, must be preferred over any alternative interpretation which is inconsistent with that purpose.
b. If there is any conflict between these by-laws and any other by-laws of the council, these by-laws will prevail.

54. Repeal of existing municipal credit control by-laws

a. The provisions of any relating to the control of credit by the municipality are hereby repealed insofar as they relate to matters provided for in these bylaws; provided that such provisions shall be deemed not to have been repealed in respect of any such by-law which has not been repealed and which is not repugnant to these by- laws on the basis as determined by the relevant by-laws.

55. Short title and commencement

(1) These by-laws are called the Credit Control and Debt Collection By-laws of the municipality.
(2) The municipality may, by notice in the Provincial Gazette, determine that provisions of these by-laws, listed in the notice, does not apply in certain areas within its area of jurisdiction listed in the notice from a date specified in the notice.
(3) Until notice contemplated in sub-section (2) is issued, these by-laws are binding.

This by laws takes effect on the date on which it is adopted by the Council.

Policy adoption date	28 May 2026
Policy implementation date	1 July 2026
Next Review date	May 2027
Signed by……	Date……